

OFFICIAL STATEMENT



Redevelopment Agency of the
City of Chula Vista
San Diego County, California

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JUL 28 1975

\$3,400,000

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Bayfront Redevelopment Project
1975 Tax Allocation Bonds

Bids to be received by a representative of the Redevelopment Agency at the offices of O'Melveny & Myers, Bond Counsel to the Agency, 36th Floor Conference Room, 611 West Sixth Street, Los Angeles, California 90017, at 11:00 A.M., Tuesday, August 19, 1975.

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REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA
San Diego County, California

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Manufacturers Hanover Trust Co., *New York
Northern Trust Co., Chicago
Co-Paying Agents*

THE DATE OF THIS OFFICIAL STATEMENT IS JULY 15, 1975



COMMUNITY DEVELOPMENT DEPARTMENT

City of Chula Vista
CALIFORNIA

July 15, 1975

TO WHOM IT MAY CONCERN:

The material contained in this Official Statement was prepared by Stone & Youngberg Municipal Financing Consultants, Incorporated, as financing consultants to and under the direction of the Redevelopment Agency for the information of all who might become holders of the bonds described herein.

All of the following summaries of the Resolution of Issuance, the Community Redevelopment Law, other applicable legislation, the Redevelopment Plan for the Bayfront Project, and other documents are made subject to the provisions of the respective documents and do not purport to be complete statements of any or all such provisions. Reference is hereby made to such documents on file with the Agency for further information in connection therewith. The covenants of the Agency are fully set forth in Resolution No. 17, and this Official Statement does not constitute a contract with the purchasers of the bonds. A copy of the Resolution will accompany this Official Statement. Any statements contained in this Official Statement which involve estimates, forecasts, or matters of opinion, whether or not so designated, are intended solely as such and not as representations of fact.

The execution and distribution of this Official Statement have been authorized by the Agency.

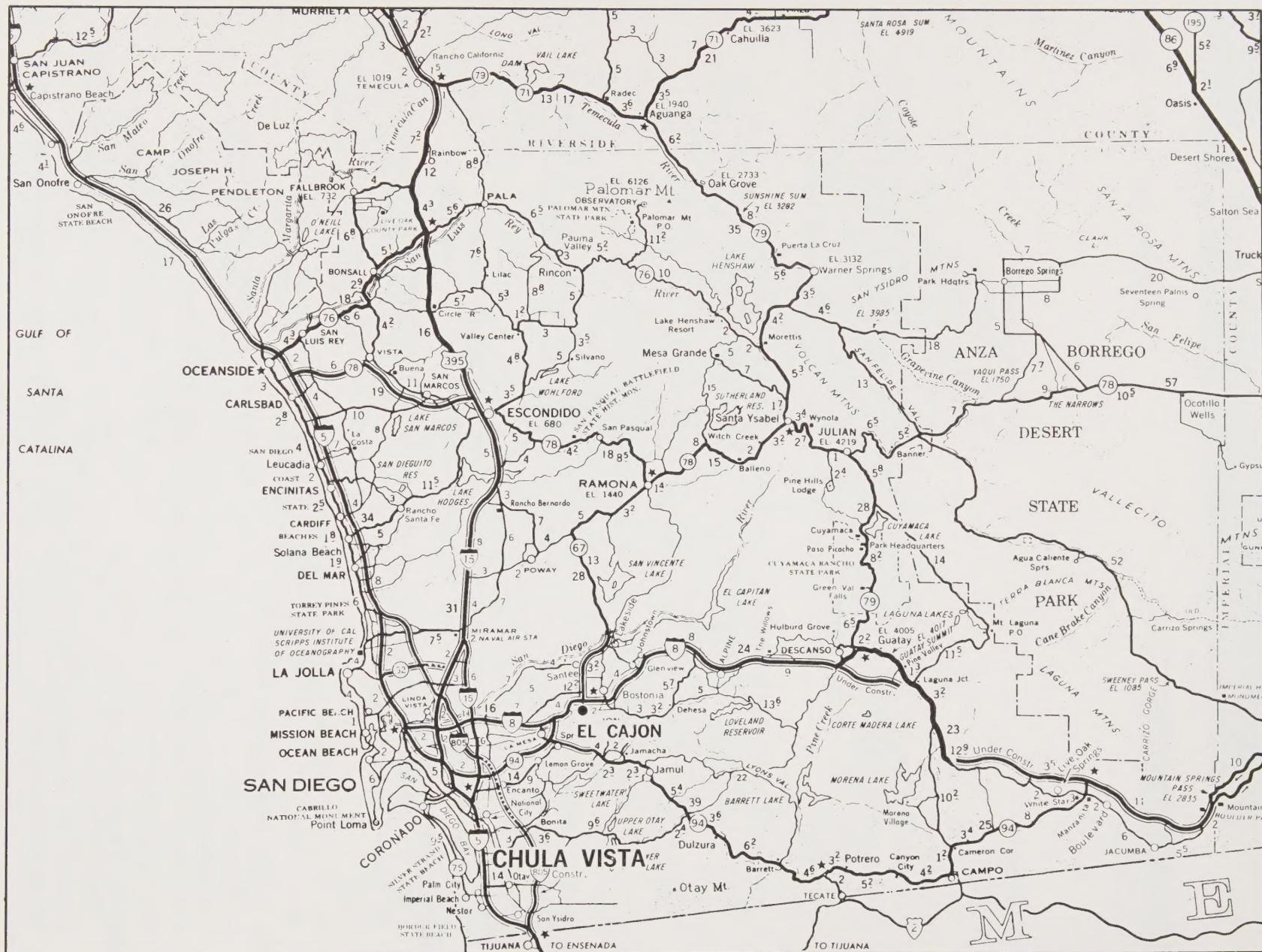
REDEVELOPMENT AGENCY OF THE
CITY OF CHULA VISTA

Thomas D. Hamilton Jr.
THOMAS D. HAMILTON, JR., CHAIRMAN

Lane F. Cole
LANE F. COLE, EXECUTIVE DIRECTOR

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INTRODUCTION

The Constitution and laws of the State of California recognize the vital need for the elimination and rehabilitation of deteriorating urban areas in the state through conservation and redevelopment efforts, and provide an effective means of accomplishing these objectives. Under the provisions of the Community Redevelopment Law (California Health & Safety Code, Section 33000 et seq.), communities containing areas subject to economic and social deterioration may remedy these conditions by activating a redevelopment agency, which has the power to designate specific areas for redevelopment, prepare plans for redevelopment of the designated areas, and carry out the approved plans.

Financing of redevelopment projects in California may be provided through the issuance of tax allocation bonds by the agency. This type of obligation is payable from property taxes collected from within a project upon the increase in assessed valuation which has resulted from redevelopment, as more fully described in this official statement. The Community Redevelopment Law also permits an agency to accept financial assistance from any available public or private source to help meet the costs of a project. The Federal government has in the past provided such assistance in the form of loans and grants through the Department of Housing and Urban Development, under the provisions of the Housing Act of 1949, as amended. However, no such assistance is anticipated for Bayfront Redevelopment Project activities.

The City of Chula Vista was incorporated in 1911 and became a charter city in 1951. On October 24, 1972, the City Council adopted Ordinance No. 1425, declaring the need for a redevelopment agency, thereby activating the Redevelopment Agency of the City of Chula Vista (the "Agency").

Means for improvement of deteriorating industrial areas and development of vacant land along the City's shoreline on San Diego Bay were undertaken with the official adoption by Ordinance of the Redevelopment Plan for the Bayfront Redevelopment Project (the "Project") by the City Council on July 16, 1974.

The Project calls for redevelopment of approximately 323 acres of deteriorating or economically underutilized commercial, industrial and agricultural areas into a modern and viable commercial, industrial, residential and recreational complex. The remaining 352 acres within the Project consist of

marshlands and industrial properties that will not be redeveloped under the plan.

The Project provides for commercial recreation facilities, parks and open space, industrial and commercial development, a golf course and medium density residential areas. The basic objectives of the plan are to preserve the natural state of the marshlands and shoreline and develop the project area so as to have land uses compatible with these objectives. Located within the Project are two major industrial facilities: the Rohr Corporation's main plant and San Diego Gas and Electric Company's South Bay powerplant. The project plan provides 75 acres for expansion of the Rohr facility.

At present, a new restaurant has been completed within the Project. Expansion at Rohr Corporation and construction of a motel and restaurant are anticipated to be underway by late 1975 with completion by mid-1976. Other developments are anticipated once the redevelopment activities commence.

Proceeds from the sale of the \$3,400,000 principal amount of Bayfront Redevelopment Project 1975 Tax Allocation Bonds will be used to finance public improvements (primarily street extensions and widening), costs of bond issuance and to reimburse the City for moneys previously expended within the Project.

Under constitutionally authorized statutory procedure, all property taxes collected in the Bayfront Project Area (by the City of Chula Vista, San Diego County, and any district or other public body) on any increase in the assessed valuation of taxable property in the Project over that shown on the assessment rolls of 1973/74 (\$46,932,157, the "frozen base") may be pledged to the repayment of indebtedness incurred in connection with redevelopment of the Project. Pursuant to the provisions of the Resolution of Issuance (the "Resolution") for the 1975 Bonds, these tax increment revenues are pledged in their entirety to the payment of interest on and principal of the authorized 1975 Bonds and any Additional Bonds or other authorized indebtedness of the Agency.

On the basis of Project cost estimates, the total additional private investment in land, improvements and other taxable property at the end of the 1977/78 fiscal year is estimated at \$25,721,764 (full value). At the assessment ratios applicable to new construction in San Diego County (25 percent

of full value), the assessed valuation of the Project in 1977/78 is projected at approximately \$53,362,598. This is \$6,430,441 in excess of the frozen base. Assuming a continuation of the present minimum tax rate of \$10.125 per \$100 assessed valuation, the Project will produce annual tax increment revenues of approximately \$651,000 in the 1977/78 fiscal year and thereafter, which will permit full retirement of the 1975 Bonds now being offered by 1989 (assuming that no additional indebtedness is incurred by the Agency). Projected income at the minimum tax rate currently in effect will cover estimated maximum annual interest (\$272,000) by about 2.39 times. By the time that private construction completed or planned to begin by late 1975 is reflected on the tax rolls (1977/78), it is expected that the projected tax increment revenues will cover the estimated maximum Serial Bond debt service (\$356,400) by about 1.83 times.

Under provisions of the Community Redevelopment Law, there is approximately a one fiscal year delay in the receipt of tax increment revenues (if any) following adoption of a project redevelopment plan, to permit the State Board of Equalization and the county in which the project is located to establish new tax code areas and confirm the frozen base assessed valuation for such project. The Bayfront Redevelopment Project was approved in July of 1974, and the base year valuation is that which was last equalized prior to the adoption of the Redevelopment Plan (1973/74—\$46,932,157). San Diego County reported the 1974/75 assessed valuation of the Project to be \$52,562,598, or \$5,630,441 higher than the frozen base. At the minimum tax rate applicable to property located within the Project (\$10.125 per \$100 assessed valuation), tax increment revenues of approximately \$570,000 would have been generated in the recently completed 1974/75 fiscal year. However, 1974/75 represents the one year delay period discussed above, so the actual allocation of tax increment revenues will commence this fiscal year (1975/76). Assuming that 1975/76 tax increment revenues will be no less than those that could have been produced in 1974/75 (\$570,000), it appears that such revenues will cover estimated maximum interest by about 2.10 times, and estimated maximum annual Serial Bond debt service (\$356,400) by approximately 1.60 times. San Diego County has reported that preliminary 1975/76 assessed valuations for the Project (local secured roll only) will represent an increase of \$6,482,369 in the frozen base local secured roll,

which exceeds the total increase in all rolls projected for 1977/78. Valuations for the 1975/76 unsecured and public utility rolls are not available as of the date of this official statement.

Additional security for the 1975 Bonds will be provided by establishment of a Bond Reserve Account into which an amount initially equal to the first two years' interest on the 1975 Bonds will be deposited from Bond proceeds. An amount equal to two years' annual interest is to be maintained over the life of the Bonds and must be replenished from the first available funds if drawn upon, and must be increased in accordance with the provisions of the Resolution if any Additional Bonds are issued.

As stated above, the Bayfront Project may be expected to generate at least \$570,000 of tax increment revenues in the 1975/76 fiscal year from additional property, increased assessment of existing property, and new development already completed and on the tax rolls, based on a report from the San Diego County Auditor's office, and debt service payments will be met from tax increment income to be received in the 1975/76 and subsequent fiscal years, and from bond proceeds. Remaining development planned through the 1976/77 fiscal year based on projects for which commencement of construction

is scheduled for late 1975 or early 1976 should be reflected on the 1977/78 tax rolls. No projections of development or tax increment revenues have been made for projects beyond 1977/78, nor do such estimates include potential development of properties not now planned to be redeveloped or properties upgraded through rehabilitation by existing owners.

Chula Vista has experienced rapid population growth in the past twenty years and continued growth is expected. The city has developed from an agricultural area to an industrial and residential area, due mainly to its location 8 miles south of the City of San Diego. In recent years, commercial and industrial development have become major factors in the city, most notably the Rohr Corporation's main plant. The city has a well-developed central business district. Taxable sales transactions increased 85% from 1970 to 1974. The April 1975 population of the city was 75,137, according to a special mid-decade census conducted by San Diego County. The city's 1974/75 assessed valuation for revenue purposes is \$249,362,742. Of the \$2,331,872 secured tax levy in 1973/74, all but \$30,126, or 1.29 percent, was collected. The outstanding general obligation bonded debt of the city at the time of sale of the bonds currently offered will be \$1,955,000 or .78% of the assessed valuation.

Chula Vista City Hall.



THE BONDS

Authority for Issuance

The \$3,400,000 Bayfront Redevelopment Project 1975 Tax Allocation Bonds (hereinafter sometimes referred to as the "Bonds"), currently being offered, were authorized pursuant to Resolution No. 17 of the Chula Vista Redevelopment Agency, adopted July 15, 1975 (the "Resolution"). The Bonds will be issued under the provisions of and in full conformity with the Constitution and laws of the State of California, including the Community Redevelopment Law (commencing with Section 33000 of the California Health and Safety Code), and acts amending or supplementing that law. A copy of the Resolution accompanies this official statement.

The Agency anticipates that one or more additional series of Bayfront Redevelopment Project Tax Allocation Bonds will be issued to finance the completion of the Project. It is presently estimated that the aggregate principal amount of all series to be issued (including the Bonds now being offered) will not exceed \$6,000,000, but the actual amount(s) will be determined at the time of issuance based on the approved Project expenditures budget. In any case, additional bonds may be issued only subject to the conditions precedent specified in the Resolution, including an earnings test.

Sale of Bonds

Bids for the purchase of the Bonds will be received on behalf of the Chula Vista Redevelopment Agency until 11:00 A.M., Tuesday, August 19, 1975. Details as to the terms and place of sale are included in the Notice Inviting Bids, adopted July 15, 1975, a copy of which is included with this official statement.

Description of Bonds

The \$3,400,000 principal amount of Bayfront Redevelopment Project 1975 Tax Allocation Bonds will be dated as of September 1, 1975, and be issued as coupon bonds in denominations of \$5,000 each, numbered 1 through 680, or as fully registered

bonds in the denomination of \$5,000 or any authorized multiple thereof, and mature on September 1 in the years and in the amounts shown below. Interest is payable semiannually on March 1 and September 1 of each year, except that interest for the first year is payable on September 1, 1976. Bond interest and principal are payable at the Los Angeles principal office of the Fiscal Agent, United California Bank.

Maturity Date Sept. 1	Principal Amount
1977	\$ 70,000
1978	75,000
1979	85,000
1980	90,000
1981	100,000
1982	110,000
1983	120,000
1984	125,000
1985	140,000
1986	150,000
1987	160,000
1988	175,000
1996	2,000,000

Redemption Provisions

Bonds maturing on or prior to September 1, 1988 (the "Serial Bonds") are not subject to call or redemption prior to their respective maturity dates. Bonds maturing on September 1, 1996 (the "Term Bonds") are subject to call and redemption as a whole or in part, by lot, at the option of the Agency, from any available source of funds, on any interest payment date commencing with September 1, 1989, upon payment of accrued interest to the date of call and a redemption price equal to the principal amount plus a premium, as shown in the following schedule.

REDEMPTION DATES AND PREMIUMS

On or After Sept. 1	And Prior to Sept. 1	Premium
1989	1990	3½ %
1990	1991	3
1991	1992	2½
1992	1993	2
1993	1994	1½
1994	1995	1
1995	1996	½

Registration

The Bonds will be issued as coupon bonds or as fully registered bonds, at the holders' option, with the privilege of exchange as set forth in the Resolution.

Legal Opinion

The unqualified opinion of O'Melveny & Myers, Los Angeles, California, Bond Counsel to the Redevelopment Agency of the City of Chula Vista, approving the validity of the Bonds will be furnished the purchaser at the time the Bonds are delivered. A copy of the legal opinion will be printed on the back of each Bond.

The statements of law and legal conclusions set forth in this official statement under the caption "The Bonds" have been reviewed by Bond Counsel. Bond Counsel's employment is limited to a review of the legal procedures required for the authorization of the Bonds and to rendering an opinion as to the validity of the Bonds and the exemption of interest on the Bonds from income taxation. The opinion of Bond Counsel will not consider or extend to any documents which Bond Counsel did not prepare or review or to any agreements, representations, offering circulars or other material of any kind concerning the bonds not mentioned in this paragraph.

Tax Exempt Status

In the opinion of Bond Counsel, interest on the Bonds is exempt from present federal income taxes and from State of California personal income taxes under existing statutes, regulations, and court decisions, and the Bonds are exempt from all California taxes except inheritance, gift, and franchise taxes.

In the event that prior to the delivery of the Bonds, (a) the income received by any private holder from bonds of the same type and character shall be declared to be taxable (either at the time of such declaration or at any future date) under any federal income tax laws, either by the terms of such laws or by ruling of a federal income tax authority or official which is followed by the Internal Revenue Service, or by decision of any federal court, or (b) any federal income tax law is adopted which will have a substantial adverse tax effect on holders of the Bonds as such, the successful bidder may, at his option, prior to the tender of the Bonds by the Agency, be relieved of its obligation under the contract to purchase the Bonds, and in such case the deposit accompanying his bid will be returned.

Legality for Investment in California

The California Community Redevelopment Law provides that bonds authorized and issued in the same manner and for the same purposes as the Bayfront Redevelopment Project 1975 Tax Allocation Bonds shall be legal investments for all banks, including trust companies, and various other financial institutions, as well as for trust funds and other public bodies. The Community Redevelopment Law also provides that the Bonds are authorized security for public deposits.

The Superintendent of Banks of the State of California has previously ruled that bonds of a redevelopment agency are, by said statute, legal investments in California for savings banks. As such, the Bonds would also be legal investments for all trust funds, and for the funds of all insurance companies, commercial banks, trust companies, and any public or private funds which may be invested in county, municipal, or school district bonds. The Bonds may be deposited as security for the performance of any act whenever the bonds of any county or municipality may be so deposited, and may also be used as security for the deposit of public moneys in banks in the state.

Purpose and Disposition of Bond Proceeds

Proceeds of the Bonds are to be used to finance the acquisition and clearance of property for redevelopment, relocation expenses, construction of public improvements, reimbursement of advances made by the City, and related expenses, as described in the section of this official statement entitled "The Bayfront Redevelopment Project".

Under the provisions of the Resolution, the Fiscal Agent will receive the proceeds from the sale of the Bonds and will apply them as follows:

(1) A sum equal to the first two years' interest from the date of the Bonds (the "Minimum Reserve") will be deposited in the Bayfront Redevelopment Project Reserve Account of the Special Fund.

(2) An amount equal to the first year's interest (including accrued interest) on the Bonds will be deposited in the Interest Account of the Special Fund established for the 1975 Bonds.

(3) The balance of the proceeds will be deposited in the Bayfront Redevelopment Project Redevelopment Fund, held and administered by the Fiscal Agent, to be expended for the purposes for which the Bonds were issued.

The estimated amount of Bond proceeds to be used for each of the specified purposes is as follows:

DISPOSITION OF BOND PROCEEDS

Net proceeds to Agency for costs of redevelopment	\$2,312,000
Reserve Account (two years' interest (@ 8%)	544,000
Interest Account (one year's interest (@ 8%)	272,000
Provision for discount (5%)	170,000
Costs of issuance	102,000
Total Bond Issue	\$3,400,000

Security

The Bonds are payable from any available funds of the Agency and are secured by a first and exclusive pledge of all Tax Revenues (as defined below) and all moneys in the Reserve Account. The Tax Revenues are irrevocably pledged in their entirety to the payment of the Bonds or to the Reserve Account by transfer, so long as any of the Bonds remain outstanding or unprovided for.

Under the provisions of the Community Redevelopment Law and the Redevelopment Plan for the Bayfront Redevelopment Project, taxes on property in the Project levied by any taxing agency on or after July 1, 1973 (the date on which the allocation of Tax Revenues commences), have been and will be allocated in the following manner:

(1) Taxes levied at the prevailing rates each year against an amount equivalent to the recorded 1973/74 assessed valuation of property within the Project (the "frozen base"), will continue to be paid into the funds of the respective taxing agencies.

(2) Taxes derived from increases in the assessed valuation of property within the Project above the frozen base occurring for any reason (the "Tax Revenues") will be deposited in the Special Fund of the Agency, held and administered by the Fiscal Agent for payment of the Bonds.

The Bonds are special obligations of the Chula Vista Redevelopment Agency and as such are not a debt of the City of Chula Vista, the State of California, or any of its political subdivisions. Neither the

City, state, nor any of its political subdivisions are liable for their payment. These Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

The validity of the Bonds is not dependent upon the completion of the Project or upon the performance by anyone or his obligation relative to the Project.

Property Tax Rate Limitations and Exemptions

Pursuant to statutory provisions enacted by the California Legislature, property tax rates levied by local taxing entities are in effect frozen at the rates actually imposed during either the 1971/72 or 1972/73 fiscal year, at the option of the respective taxing entity, and the legislation also transferred certain costs of education and welfare from local government to the state level. Tax rate limits may be exceeded by any amount which is approved by the electorate or is required to service voter-approved indebtedness, and for certain other specified reasons. Tax rates may also be increased under an inflation or "cost of living" formula incorporated in the legislation.

Certain exemptions from property taxes have been granted to specific classes of property located in California. Revenues lost by local taxing agencies from two of these exemptions (the homeowner's property tax exemption and the business inventory exemption, which are discussed elsewhere in this official statement) are reimbursed by the State and are allocated to eligible redevelopment agencies in the same manner as locally collected taxes. At present, revenues lost as a result of other types of exemptions are not reimbursed. There is no assurance that additional tax rate limitations or exemptions will not be approved, nor is there any assurance that revenues lost will be reimbursed to local taxing agencies or allocated to redevelopment agencies. To the extent that such limitations or exemptions are approved, and reimbursement and allocation of lost revenues are not made, the security of the Bonds could be adversely affected.

Redevelopment agencies in California do not have the power to levy or collect property taxes, but must rely upon the taxes levied on property within a project by other taxing agencies for the production of Tax Revenues. There are two aggregate tax rates (\$10.125 and \$10.133 per \$100 assessed valuation)

for all purposes currently applicable to property located within the Bayfront Redevelopment Project. For purposes of this official statement, Tax Revenues to be received in 1975/76 and subsequent years are based on the lower of the two rates in effect for 1974/75.

There is litigation now pending which challenges the constitutionality of certain procedures of financing local school districts in the state. The extent to which school districts will continue to levy ad valorem property taxes for the support of education will depend upon the outcome of this litigation. At present, the possible effect on the taxing power of any given school district cannot be foreseen.

Creation of Funds and Accounts

The Resolution provides for the establishment of funds and accounts to be held by the Fiscal Agent for the administration and control of the proceeds obtained from sale of the Bonds, other funds allocable to the Project, and from the pledged Tax Revenues. Specific aspects of these funds and accounts are described as follows.

The Redevelopment Fund—Moneys deposited in the Bayfront Redevelopment Project Redevelopment Fund from Bond proceeds and any other sources shall be used for the purpose of aiding in financing the Project. All moneys in excess of those required to complete the Project may be held in the Redevelopment Fund to assist in financing subsequent phases of the Project, or may be transferred from the Redevelopment Fund to the Special Fund.

The Special Fund—Under the provisions of the Resolution, the Agency authorizes and directs the payment of Tax Revenues, as defined in a preceding section, directly to the Fiscal Agent for deposit in the Bayfront Redevelopment Project Special Fund.

So long as any of the Bonds are outstanding, moneys in the Special Fund shall be set aside in the following special accounts, and be used in the following order of priority:

(1) *Interest Account*. On or before the last day of February 1977, and the last days of each February and August thereafter, the Fiscal Agent shall set aside from the Special Fund in the Interest Account (the initial payment into which is to be made from Bond proceeds) an amount sufficient to pay the aggregate interest on all of the outstanding Bonds on the next succeeding interest payment date. Any funds so set aside shall be

applied solely to the payment of interest on the Bonds when due (including accrued interest on any Bonds purchased or redeemed prior to maturity).

(2) *Principal Account*. On or before the last day of each August, commencing August 31, 1977 and ending August 31, 1988, the Fiscal Agent shall set aside from the Special Fund in the Principal Account an amount sufficient to pay the aggregate yearly principal becoming due and payable on the outstanding Serial Bonds on the next principal payment date. All funds in the Principal Account shall be applied solely for the payment of principal of the Serial Bonds when due and payable.

(3) *Reserve Account*. After making the deposits required under Paragraphs (1) and (2) above, commencing August 31, 1977, the Fiscal Agent shall set aside in the Reserve Account an amount sufficient to maintain the Minimum Reserve (as defined below) in said Reserve Account.

Moneys in the Reserve Account (initially equal to the first two years' interest requirements on the Bonds) shall be withdrawn and used by the Fiscal Agent solely for the purpose of paying the interest on and principal of the Bonds, or for the purpose of retiring all of the Bonds at the time outstanding, including accrued interest on any Bonds purchased or redeemed prior to maturity.

At all times, a Minimum Reserve (an amount equal to twice the maximum annual interest due on the Bonds) shall be maintained in the Reserve Account. Should the amount in the Reserve Account be less than the required Minimum Reserve, the Fiscal Agent shall restore the balance by transfer of the first available moneys in the Special Fund, or by transfer of any available moneys in the Sinking Account.

(4) *Sinking Account*. After making the deposits or transfers required under Paragraphs (1), (2) and (3) above, commencing August 31, 1977, the Fiscal Agent shall set aside in the Sinking Account all remaining moneys in the Special Fund solely for the purchase or redemption of Term Bonds, to the extent such moneys are available. The price of any Term Bonds purchased by the Fiscal Agent (including brokerage and other expenses, but excluding accrued interest which is payable from the Interest Account) may not exceed the principal amount of such Bonds plus the premium applicable on the next following

redemption date. On July 1, 1989, or any January 1 or July 1 thereafter, the Fiscal Agent shall apply all moneys available in the Sinking Account (to the extent practicable) to the call and redemption of Term Bonds on the next succeeding interest payment date.

The Fiscal Agent shall transfer any moneys in the Sinking Account to the Interest Account, the Principal Account or the Reserve Account if the required deposits to such accounts cannot be made from other sources of funds.

Deposit and Investment of Funds

All moneys held by the Fiscal Agent in any of the funds and accounts established pursuant to the Resolution, which are not at the time invested, shall be held in demand or time deposits, and shall be secured at all times by obligations which are eligible by law to secure deposits of public moneys and having a market value at least equal to the amount required by law.

Moneys in the Reserve Account, Redevelopment Fund, and Special Fund (including the accounts created thereunder) may, and upon the request of the Agency shall, be invested in Federal securities (as defined in the Resolution).

Reserve Account, Redevelopment Fund and Special Fund moneys may be invested in obligations maturing prior to the dates estimated by the Agency of required withdrawal of funds, or in the case of moneys available for purchase or redemption of Bonds prior to September 1, 1989, in such obligations maturing on or before that date, if the Fiscal Agent is unable to apply such moneys to the purchase of Bonds.

All interest earned on any such investment shall become part of the fund on which earned, except that interest or income received on moneys in the Reserve Account in excess of the Minimum Reserve may be transferred to the Redevelopment Fund if requested by the Agency, and interest or income received on moneys in the Redevelopment Fund may be transferred to the Reserve Account upon request by the Agency.

Issuance of Additional Bonds

The Agency may, by Supplemental Resolution, issue Additional Bonds to pay the costs of the Project (including subsequent phases of the Project, if any) provided:

a. The Agency must be in compliance with all covenants set forth in the Resolution.

b. The Reserve Account must be increased, if necessary, by an amount sufficient to maintain the Minimum Reserve (twice the maximum annual interest due on the Bonds and any Additional Bonds).

c. The Additional Bonds must mature on September 1, and interest thereon is to be payable March 1 and September 1 of each year, except the first year, which may be payable at the end of said year.

d. Tax Revenues produced or to be produced from the most recent assessed valuation of taxable property located in the Project (including an allowance for estimated Tax Revenues to be derived upon completion for construction in progress) are at least equal to 1.25 times the assumed average annual debt service on all series of the outstanding Bonds and the Additional Bonds proposed to be issued, as certified by an independent certified public accountant employed by the Agency (the computation of assumed average annual debt service is to be made on the basis of approximately equal annual payments of principal plus interest).

e. The Agency must have received all required approvals of any governmental authority having jurisdiction over the Additional Bonds or their terms.

As previously stated, the Agency plans to issue additional bonds to complete the Project, which will be fully subject to the foregoing provisions, as more fully set forth in the Resolution.

Refunding Bonds

Existing State Law provides that refunding bonds secured by Tax Revenues derived from the Bayfront Redevelopment Project may be issued for the purpose of refunding all or any series of the Bonds then outstanding.

Additional Covenants

Certain additional covenants of the Agency under the Resolution are summarized below.

1. The Agency will punctually pay, or cause to be paid, the principal and interest on the Bonds as they become due.

2. The Agency will not encumber, pledge, or place any charge or lien upon any of the Tax

Revenues superior to or on a parity with the pledge and lien created in the Resolution for the benefit of the Bonds or Additional Bonds.

3. The Agency will manage and operate all properties owned by the Agency and comprising any part of the Project in a sound and businesslike manner and will keep such properties insured at all times in conformity with sound business practice.

4. The Agency will pay and discharge, or cause to be paid and discharged, any governmental charges imposed, and all lawful claims for labor, materials or supplies which, if unpaid, might become a lien or charge which might impair the security of the Bonds.

5. The Agency will keep proper books of accounts and will cause to be prepared within 120 days after the close of each fiscal year complete financial statements on the Project, certified by an independent certified public accountant. The Agency will furnish a copy of such statements to any Bondholder upon request.

6. The Agency will commence and will continue to completion with all practicable dispatch the Project, and the Project will be accomplished and completed in a sound and economical manner and in conformity with the Redevelopment Plan and the Community Redevelopment Law.

7. If all or any part of the Project owned by the Agency shall be taken by eminent domain proceedings, the net proceeds realized by the Agency therefrom shall be deposited with the Fiscal Agent in a special fund in trust for the purpose of paying principal and interest on the Bonds.

8. Whenever any property in the Project has been redeveloped and thereafter is leased by the Agency to any person or persons or whenever the Agency leases real property in the Project to any person or persons for redevelopment (other than the City of Chula Vista) the property shall be assessed and taxed in the same manner as privately owned property (in accordance with Section 33673 of the Health and Safety Code of the State of California), and the lease or contract shall provide: (a) that the lessee shall pay taxes upon the assessed value of the entire property and not merely upon the assessed value of his or its leasehold interest, and (b) that if for any reason the taxes paid by the lessee on such property in any year during the term of the lease

or contract shall be less than the taxes which would have been payable upon the assessed value of the entire property if the property were assessed and taxed in the same manner as privately owned property, the lessee shall pay such difference to the Fiscal Agent within thirty days after the taxes for such year become payable to the taxing agencies and in any event prior to the delinquency date or dates of such taxes established by law. All such leases and contracts shall be submitted to the Fiscal Agent prior to their execution so that the Fiscal Agent may insure compliance with these provisions. All such payments to the Fiscal Agent shall be treated as Tax Revenues and shall be deposited by the Fiscal Agent in the Special Fund.

9. The Agency covenants and agrees that it will not dispose of more than 10% of the land area in the Redevelopment Project Area (except property shown in the Redevelopment Plan in effect on the date the Resolution is adopted as planned for public use, or property to be used for public streets, public off-street parking, sewage facilities, easements or rights-of-way for public utilities, or other similar uses) to public bodies or other persons or entities whose property is tax exempt if as a result of such disposition the security of the Bonds or the rights of the bondholders would be substantially impaired.

10. The Agency will preserve and protect the security of the Bonds and the rights of the Bondholders, and will warrant and defend their rights against all claims and demands of all persons.

11. The Agency and the Fiscal Agent will not invest or cause to be invested Bond proceeds in a manner which would result in the Bonds becoming taxable arbitrage bonds within the meaning of Section 103(d) of the Internal Revenue Code, as amended.

Remedies

Any Bondholder shall have the right, by mandamus or other appropriate remedy, to compel the performance by the Agency and its members of the duties imposed by the Resolution and the Community Redevelopment Law.

Amendment of the Resolution

The Resolution and the rights and obligations of the Agency and of the holders of the Bonds and the

coupons may be modified or amended at any time by a supplemental resolution pursuant to the approval at a meeting of Bondholders or with the written consent of holders of 60 percent in principal amount of the Bonds then outstanding, exclusive of disqualified Bonds, provided that Bondholders' consent is not required for any modification or amendment made for the purpose of curing ambiguities or defects, adding additional covenants or

agreements of the Agency or providing for the issuance of Additional Bonds in conformity with the Resolution. No modification or amendment may be made which extends the maturity of the Bonds, alters the principal amount of the Bonds or the redemption price, reduces the rate of interest, or reduces the percentage of outstanding Bonds the consent of holders of which is required for modification or amendment of the Resolution.

Aerial view of the western portion of Chula Vista (right side) and its relationship to San Diego Bay. The outlined area indicates the Bayfront Redevelopment Project area. The city's central business district is located to the right (east) of the Project area.



REDEVELOPMENT AGENCY OF THE CITY OF CHULA VISTA

The Redevelopment Agency

In 1972, the Chula Vista City Council took action that formally recognized the need for redevelopment of portions of the city. The Agency was created under the provisions of the Community Redevelopment Law by Ordinance No. 1425, approved and adopted by the City Council on October 24, 1972. The City Council declared itself to be the Agency, and the City Manager is authorized to act as Executive Director of the Agency.

City staff provides technical services connected with the redevelopment projects, including fiscal planning, engineering, planning and other functions necessary for project implementation.

Powers

All powers of the Agency are vested in its five members. Under the Community Redevelopment Law, the Agency is a separate public body and exercises governmental functions in executing duly adopted redevelopment projects. As such, the Agency has the authority to acquire, develop, administer, and sell or lease property, including the right of eminent domain, the right to accept financial assistance from any source, and to issue bonds and expend their proceeds.

The Agency may also clear buildings or other improvements, develop as a building site any real property owned or acquired, and in connection with such development, may provide for the installation of streets, utilities, sidewalks, and other necessary public improvements. With the exception of publicly owned structures and facilities benefiting the Project, the Agency itself cannot construct any buildings contemplated under the redevelopment plan but must convey property in the Project by sale or lease, at fair market value, for private redevelopment in strict conformity with the plan. The Agency may specify a period of time within which such development must begin.

Tax Allocation Financing

The Community Redevelopment Law authorizes a method of financing redevelopment projects based upon a prescribed allocation of property taxes collected within a project. The assessed valuation of taxable property within the project is, in effect, frozen at the level existing prior to adoption of the redevelopment plan, and all overlapping taxing bodies continue to receive the taxes derived by the levy of the current tax rate against this frozen base. All

property taxes collected each year after the adoption of the redevelopment plan upon any increase in assessed valuation above the established base level may be credited to a redevelopment agency and pledged to the repayment of any indebtedness incurred in the development of the project. After all such indebtedness has been repaid, the total taxes produced by the project thereafter accrue to the respective taxing bodies in the usual manner. Thus, the tax allocation procedure not only permits each taxing agency to levy and collect taxes on the level of assessed valuation existing in a project prior to redevelopment, but also provides that increases in assessed valuation occurring as a result of such redevelopment may be used as a basis for the repayment of costs or indebtedness incurred on behalf of the project.

During the course of redevelopment, assessed valuations may temporarily be less than the frozen base, as a redevelopment agency acquires land and improvements and the properties are removed from the tax rolls by virtue of the transfer to public ownership. As an agency disposes of the land for purposes of redevelopment, it is returned to the tax

rolls with an assessed valuation that usually reflects the higher level of planned use prescribed in the redevelopment plan.

As previously stated, the Community Redevelopment Law authorizes the issuance of bonds by a redevelopment agency, and the payment of bond service costs is permitted from any one or a combination of stated sources. The Bayfront Project Tax Allocation Bonds are secured by a pledge of all tax receipts produced from the incremental assessed valuation of the Project (defined as the Tax Revenues) which are to be paid directly into the Agency's Special Fund established for the benefit of the bondholders, and held by the Fiscal Agent.

Agency Projects

The Bayfront Project, more fully described in the following section of this official statement, is the Agency's first redevelopment project.

At present there are no other projects for which a redevelopment plan has been adopted. However, preliminary studies of the downtown areas are underway and the Third Avenue business district is being surveyed as a possible redevelopment project area.

The Third Avenue business district in the City of Chula Vista. The Agency is presently conducting preliminary studies of this general area as a possible redevelopment project.



THE BAYFRONT REDEVELOPMENT PROJECT

Background

The Redevelopment Plan for the Bayfront Redevelopment Project (the "Project") was adopted by the Redevelopment Agency of the City of Chula Vista and by the City Council pursuant to its Ordinance No. 1541, on July 16, 1974. This Project, the first to be undertaken by the Agency, is located along the city's shoreline on San Diego Bay. Conditions in the Project area prior to adoption of the Redevelopment Plan met the statutory tests for blight, with findings of substandard commercial structures, improper land use, economic deterioration, poor traffic circulation, and other conditions detrimental to the public safety and welfare. However, the project area is adjacent to Interstate 5 and the city's downtown area and was found to have potential value for compatible residential, commercial recreation and industrial uses due to its location.

Project Description

The project area consists of approximately 675 acres between the city's north and south boundaries bounded by Interstate 5 on the east and San Diego Bay on the west. An additional 700 acres of tidelands controlled by the San Diego Unified Port District is adjacent to the project. A joint master plan for redevelopment of the entire 1,375 acres has been adopted by both the city and the Port District. A portion of these tidelands will be available for commercial, recreation, park, marina and other uses.

The project area consists of older substandard industrial buildings, junkyards, agricultural land, planted principally in tomatoes, the San Diego Gas and Electric Company's South Bay electrical generating plant and the Rohr Corporation's manufacturing plant. A substantial portion of the project area consists of undeveloped marshlands and bayfront beaches.

The Project will remove blight and broaden the city's tax base through residential, industrial and commercial development.

The Redevelopment Plan does not specifically call for any extensive acquisition and resale of land by the Agency. However, the Agency will acquire and clear land where necessary to provide sites for redevelopment by private developers in instances where property acquisition cannot be readily accomplished by private developers under reasonable terms and conditions, and for the installation and construction of public improvements. Tax allocation Bond proceeds will be used to finance public improvements, reimbursement of advances made by the city and related expenses. All industrial, commercial and residential development will be privately financed by the developers.

Although the entire project area comprises about 675 acres, the land use plan for the redevelopment project calls for redevelopment of 323 acres and the preservation of 167 acres which may be acquired by the Federal Government. The land uses for these are shown in the tabulation below. The remaining 185 acres consist of Rohr Corporation, San Diego Gas and Electric Company and other industrial properties.

BAYFRONT PROJECT

Proposed Land Uses

Use	Acres
Commercial recreation	58
Parks and recreation	48
Residential	60
Industrial/Commercial	34
Golf course	35
Rohr Corporation	75
Marshlands	167
Expansion reserve	13
Total	490

SAN DIEGO BAY



LEGEND

1. Proposed Marina and Related Development by Unified Port District
2. Rohr Corporation
3. S.D.G & E facilities
4. Interstate 5
5. Tidelands Avenue
6. Hotel Conference Center
7. Industrial Park
8. Residential
9. Maritime Commercial
10. Marshland to be preserved
11. Expansion Reserve
12. Golf Course/Green Belt
13. Freeway Related Commercial
14. Public Parks

Schematic rendering of the Bayfront Redevelopment Project.

The proceeds received from the 1975 Bonds described in this official statement will be used to finance the public improvements shown in Table 1 below. These consist mainly of construction of new streets and improving existing streets. The public improvements will be completed by September 1977. Total project completion is presently anticipated by 1982.

The street improvements to be financed by bond proceeds consist principally of the extension of Tidelands Avenue from G Street north to the north project boundary and E Street from Bay Boulevard to Tidelands Avenue. Widening of existing streets, utility relocation and other necessary street work within the project area will also be accomplished.

Project Status

While the Agency has not begun any material portion of the project area improvements, about \$5.6 million in increased assessed valuations have been recorded from higher assessment of existing property, additional property in the Project, or from new development completed, under construction or approved by private developers since adoption of the Redevelopment Plan.

Recent new construction and other increases in assessed valuations are shown in Table 2 on the next page. Values shown are based on reports of the San Diego County Assessor and State Board of Equalization for completed projects and developer estimates on those nearing completion. It should be noted that all valuations indicated for the 1974/75 and 1975/76 fiscal years are either completed and on the current tax rolls, or completed by March 1, 1975 (the lien date for inclusion on the 1975/76 tax rolls). Estimated 1977/78 valuations reflect projects that are nearing start of construction by their developers and for which applications for building permits will be made subsequent to the date of this official statement.

Table 1

BAYFRONT PROJECT EXPENDITURES BUDGET

Estimated Costs and Sources of Funds

Estimated Costs:

Design	\$ 95,000
Street improvements	1,515,000
Right-of-way	415,000
Contingencies	272,000
Administration	65,000
Reimbursement to city	100,000
Subtotal	<u>\$2,462,000</u>
Less: Interest earnings during construction	150,000
Total	<u><u>\$2,312,000</u></u>
Source of Funds:	
1975 Bond proceeds (Net)	<u><u>\$2,312,000</u></u>

Recently completed Anthony's Fish Grotto restaurant, located within the Bayfront Project area.



Table 2

BAYFRONT PROJECT**Project Development Schedule and Estimated Assessed Valuations**

Development	Estimated Market Value	Actual or Estimated Incremental Assessed Valuation②
On 1974/75 Tax Rolls①		
Increases over base year (1973/74)③	\$22,521,764	\$5,630,441
1974/75 Subtotal	\$22,521,764	\$5,630,441
On 1975/76 Tax Rolls④		
Anthony's Fish Grotto (restaurant)	\$ 400,000	\$ 100,000
1975/76 Subtotal	\$ 400,000	\$ 100,000
On 1977/78 Tax Rolls⑤		
Rohr Corporation plant expansion	\$ 500,000	\$ 125,000
Rohr Corporation credit union	600,000	150,000
California 6 Motel and restaurant	1,700,000	425,000
1977/78 Subtotal	\$ 2,800,000	\$ 700,000
Total All Development	\$25,721,764	\$6,430,441

① Actual valuations for new developments or additions reflected on tax rolls for current fiscal year.

② At 25 percent assessment ratio.

③ Primarily composed of increases in plant equipment and business inventories at Rohr Corporation (see text) and other smaller industries in the area. Base year valuation equals \$46,932,157.

④ Completed too late for inclusion in 1974/75 valuations.

⑤ Project concept filed with Agency for approval. All three projects could possibly be completed in time to be on the 1976/77 tax rolls.

Photos showing current conditions within the Project area. San Diego Bay forms the western project boundary (left). Certain areas of the Project are currently used for agriculture (right). The Rohr Corporation plant is in the background.



In addition to the development outlined in Table 2, it is anticipated that there will be some increase in assessed valuations due to increased value of properties within the project area. Also, as described in following paragraphs, projected development of the project area and activities at the Rohr Corporation plant and San Diego Gas and Electric's South Bay Plant should result in increases in project area assessed valuations.

The Rohr Corporation has its principal plant in Chula Vista, the majority of which is located within the project area. The firm is completing its contract with the Bay Area Rapid Transit District for passenger rail cars. However, on-going contracts and recent new contracts will require full plant capacity well into the 1980's. On-going contracts include a 20-year contract with Lockheed Aircraft for C-130 aircraft components (presently this operation is at maximum production); contracts for Titan III rocket motor components; for Grumman F-14 aircraft components and small boat research and development for various governmental agencies.

Recent Rohr contracts include a \$30.3 million contract with Amtrak for seven French-designed turbotrains (for which the existing plant is being expanded); a \$35 million contract with McDonnell Douglas for F-15 aircraft components; and a \$32 million contract for work on the Space Shuttle. In addition, Rohr will supply components for the General Dynamics F-16 aircraft, that has recently been selected by the Air Force and several NATO nations, although the potential contract value of the entire contract has not yet been established. All of these on-going programs will be accomplished at the plant located in the Project area and necessary plant equipment expansion and the business inventories required should result in increased growth in Project area assessed valuations.

Also, the Rohr Corporation recently received a \$110 million line of credit extending over a 7-year period.

San Diego Gas and Electric Company's 720,000 kw capacity South Bay Power Plant is located within the project area. Although there are no definite plans for expansion at this time, as the south bay area grows in future years, the plant will undoubtedly have to be expanded to meet the needs for electricity.

Other developments within the Project area are anticipated by the Agency as the public improvements funded with Bond proceeds are made. The

Agency is presently in the process of encouraging private development within the area, and anticipates meeting most of the objectives of the redevelopment plan by 1982 or thereabouts.

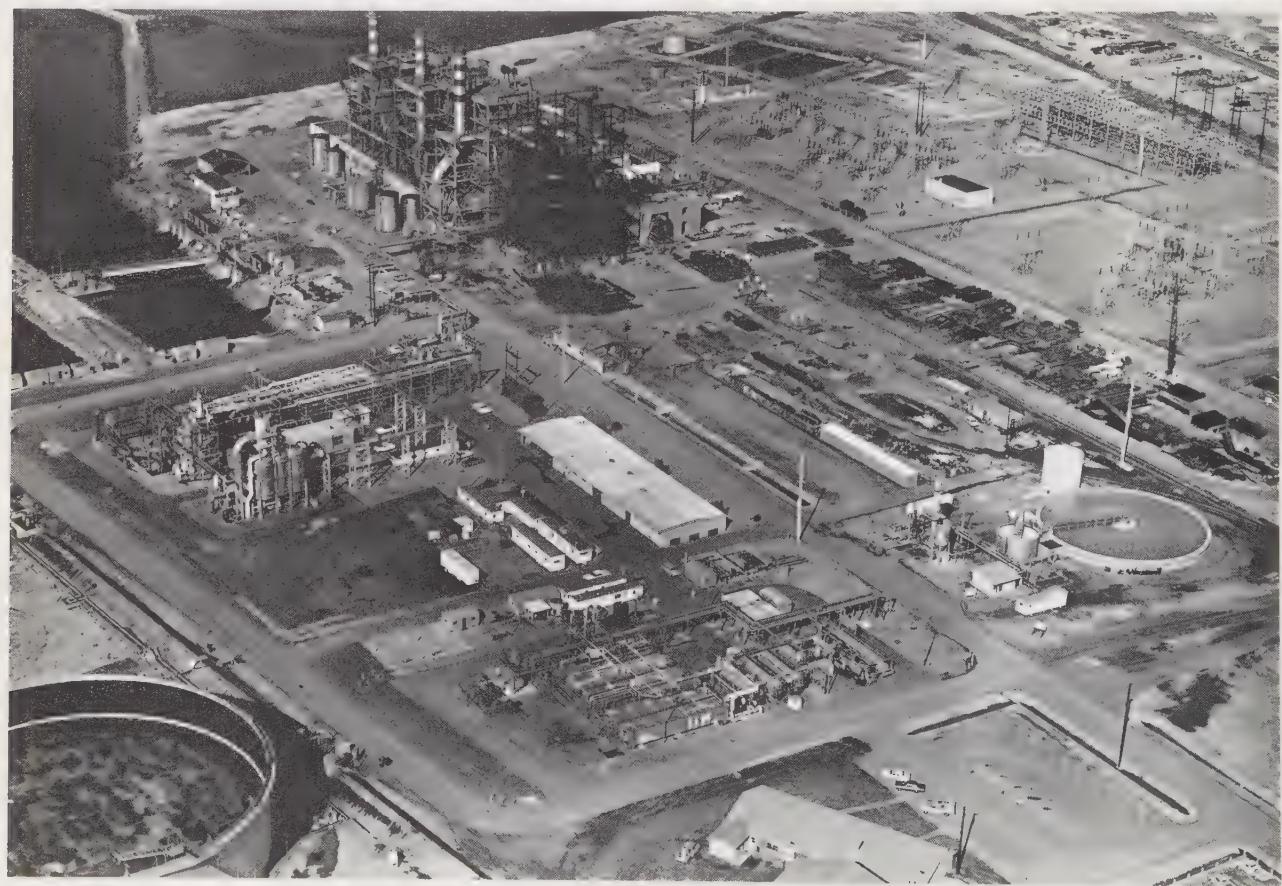
Environmental Considerations

The Bayfront Redevelopment Project may be subject to the provisions of the California Environmental Quality Act (Public Resources Code, Section 21000 et seq.), and as such an Environmental Impact Report on the Redevelopment Project was prepared, a hearing was held in the City of Chula Vista, and the final report was certified by the City Planning Commission and adopted by the City Council on July 9, 1974.

The Bayfront Redevelopment Project is subject to the provisions of the California Coastal Zone Conservation Act of 1972 (Section 27000 et seq. of the California Public Resources Code). In general, the Act provides that the California Coastal Zone Conservation Commission must adopt a coastal zone plan prior to December 1, 1975 for submission to the State legislature. Among other things, the plan will specify allowable developments within the area of Commission jurisdiction. The area of jurisdiction extends from the mean high tide line of the Pacific Ocean (including any bays or tributaries subject to tidal action) to 1,000 yards inland. Prior to implementation of the Coastal Zone Plan, the act provides for interim permit control under which each regional commission must issue a permit before a specified development can begin.

The draft Coastal Zone Plan is now in the hearing process. Certain elements of the Bayfront Project may be in conflict with portions of the draft plan. These primarily concern the future use of approximately 200 acres that are now being used for agricultural purposes and a lower priority on planned residential land uses. The points of variance do not include existing or proposed commercial and industrial developments. The city and Agency are working with the Commission to resolve any potential conflicts before adoption of the State-wide plan.

It should be noted that security for and payment of the Bonds now being offered are not dependent upon any construction that may be in conflict with the draft Coastal Plan. The incremental assessed valuation and Tax Revenues which were capable of being generated in the 1974/75 fiscal year are believed to be sufficient to retire the Bonds now being offered at or prior to their respective maturity dates.



Two major industrial facilities are located within the Project area: The Rohr Corporation's main plant is shown in the top photo. The vacant area to the north is part of the area to be developed. The bottom photo shows San Diego Gas and Electric Company's South Bay Power Plant.

ESTIMATED TAX REVENUE AND BOND RETIREMENT SCHEDULE

Estimated Tax Revenues

All Tax Revenues derived from the levy and collection of taxes on any increase in the assessed valuation of land, improvements, public utility and all other taxable property in the Project over and above the 1973/74 frozen base roll for such property are to be deposited in the Bayfront Project Special Fund and applied by the Fiscal Agent to the payment of interest and principal on the Bonds.

Each annual levy of taxes is made at the then applicable rate, but for the purpose of estimating future tax receipts and calculating an estimated Bond retirement schedule, the projection presented in Table 3 on page 20 of Tax Revenues available for the payment of Bond interest and principal assumes a continuance of the lowest of the two aggregate 1974/75 tax rates applicable to most taxable property within the Project (\$10.125 per \$100 assessed valuation).

As previously stated, San Diego County will assess all taxable property in the Project (except public utility property which is assessed by the State) at a uniform ratio of 25 percent of full market value. Public utility property is currently assessed at 25 percent of full value by the State Board of Equalization. The total assessed valuation of the Project in

1975/76 is estimated at \$52,622,598, as indicated in Table 3. This is based on recently completed construction only and does not include possible increases in business inventories at Rohr Corporation and other industries within the Project. The estimated 1975/76 assessed valuation is \$5,730,441 in excess of the frozen base which has been established at \$46,932,157 by the county. Preliminary 1975/76 assessed valuations released by the San Diego County Assessor for the local secured roll only, indicate an increase in this roll of \$6,482,369 over the base year valuation of the same roll, or \$751,928 more than the estimated 1975/76 increase for all rolls. Unsecured and public utility valuations for 1975/76 have not been released as of the date of this official statement. Consequently, it appears that the estimates will be exceeded by actual valuations established by the county. In addition, the current 1974/75 assessed valuation already exceeds the frozen base by \$5,630,441, and would produce \$570,000 of Tax Revenues at the presently applicable minimum tax rate. As discussed in the "Introduction" to this official statement, however, the allocation of Tax Revenues to the Agency will not commence until the current 1975/76 fiscal year. These revenues will be deposited as received with the Fiscal Agent in the Special Fund and will be applied to the interest payments on the Bonds, which are due on March 1 and September 1, 1977. Thereafter, interest and principal payments due each March 1 and September 1 (in the case of principal payments, each September 1, commencing September 1, 1977) will be met from the Tax Revenues allocated by the county during each fiscal year. Interest for the first year (due September 1, 1976) will be paid from Bond proceeds.

Junkyard within the Project area that will be redeveloped for commercial uses. In the background is a recently completed restaurant, also within the Project area.



The Agency intends to expend bond proceeds primarily for street improvements as described in detail in the previous section of this official statement.

Table 3
BAYFRONT REDEVELOPMENT PROJECT
Projected Assessed Valuations and Tax Revenues
(Current Development)

Fiscal Year	Estimated Assessed Valuation	Excess Over Frozen Base of \$46,932,157	Projected Tax Revenues①
1974/75 .	\$52,562,598②	\$5,630,441②	\$570,000②③
1975/76 .	52,662,598	5,730,441	580,000
1976/77 .	52,662,598	5,730,441	580,000
1977/78 .	53,362,598	6,430,441	651,000
Thereafter	53,362,598	6,430,441	651,000

① Tax Revenues based on continuation of minimum 1974/75 tax rate of \$10.125 per \$100 assessed valuation; revenue estimates rounded to next lowest \$1,000.

② All figures for 1974/75 are actual.

③ Projected Tax Revenues for 1974/75 are hypothetical, but are based on county reports, since the actual allocation of such revenues to the Agency will commence in the 1975/76 fiscal year.

All valuations compensate for the required California practice of assessing the value of property against the owner of record as of each March 1. Thus, the assessed valuation of the Project for the respective years indicated in Table 3 actually reflects the valuations assigned to new construction and upgraded land uses, as well as valuations established for unsecured property (business inventories and leasehold interests), during the 12-month period ending the preceding March 1.

Estimated Bond Retirement

Under the provisions of the Resolution authorizing the issuance of Bonds of the Agency, and the \$3,400,000 of 1975 Bonds thereof, such Bonds will mature serially each September 1 in the years 1977 through 1988 in the amounts specified in "The Bonds" section of this official statement, and in the aggregate principal amount of \$2,000,000 maturing on September 1, 1996. However, the Resolution permits the Agency to redeem all or any portion of the outstanding Term Bonds (in the minimum amount of \$25,000) on any interest payment date commencing on September 1, 1989, and requires that any excess moneys in the Special Fund after

payment of interest (and, if necessary, replenishment of the Reserve Account) must be applied to the redemption of Term Bonds to the extent available. In addition, the Resolution provides that on or after August 31, 1977 any Tax Revenues not applied to the payment of semi-annual interest on the Bonds, annual Serial Bond principal, and replenishment of the Reserve Account (if necessary) must be transferred to the Sinking Account and be used for the purchase, redemption or payment at maturity of Term Bonds, under the conditions specified in the Resolution. Serial Bonds may not be called or purchased in advance of maturity.

Based on the development program for, and tax rates applicable to, the Project indicated in Tables 2 and 3, it is estimated that the entire issue of 1975 Bonds may be retired by 1989 under the Estimated Debt Retirement Schedule presented in Table 4 on page 21, or seven years prior to their final maturity date of 1996.

Should the Agency issue any additional series of authorized Bonds, there is no assurance that the Term Bonds will, in fact, be retired in 1989. However, the conditions under which such Additional Bonds may be issued are designed and intended to prevent the dilution of the security afforded the holder of any of the then outstanding Bonds, and to assure payment by the established maturity date.

Table 4 does not reflect the initial deposit into the Reserve Account of the Minimum Reserve (the first two years' interest requirements on the Bonds), since this amount is to be retained therein and, unless needed to cover any unanticipated deficiency in the Tax Revenues, will not be used until applied to the last payment of interest and principal on the 1975 Bonds (or Additional Bonds). However, the tabulation does include the Special Fund deposit made from Bond proceeds (the first year's interest), since the indicated amount will be used for payment of Bond interest due September 1, 1976. Estimated Tax Revenues are believed to be sufficient to meet all interest and principal requirements on the Bonds, regardless of the rapidity with which the Project is ultimately developed. It is believed that the Project is fully self-supporting (as to the payment of interest and principal on the 1975 Bonds) from Tax Revenues that will be derived from construction already completed or now in progress. A nominal amount of planned construction is used for the purposes of the ultimate projections in Tables 2 and 3, and in the estimated debt service schedule presented in Table 4.

The estimates presented in Table 4 do not take into account interest earnings on the Redevelopment Fund or the Special Fund which in practice will be invested in accordance with the provisions of the Resolution of Issuance. To the extent that such investment income is available, the retirement of principal through purchase or call may be accelerated over the retirement schedules presented in Table 4. The issuance of Additional Bonds is governed by the conditions contained in the Resolution, and summarized herein, and will be offered for sale only if

adequate security can be demonstrated at the anticipated time of sale. No valuations are assigned to potential development within areas of the Project which may occur in subsequent years, and which is not accounted for in this official statement. Any development or upgraded land-use of such property will be reflected in a greater magnitude in the increase of Project assessed valuations; resulting in a higher level of Tax Revenues than estimated herein, and which will serve as security for the issuance of Additional Bonds to the extent permitted under the Resolution.

Table 4

CHULA VISTA REDEVELOPMENT AGENCY

\$3,400,000 Bayfront Redevelopment Project 1975 Tax Allocation Bonds

Estimated Debt Retirement Schedule and Cash Flow

Year Ending Sept. 1	Estimated Tax Revenue①	Bonds Outstanding②	Interest Estimated @ 8%	Principal Retired	Premium for Redemption of Callable Bonds	Total Bond Service	Cumulative Balance in Special Fund③
Serial Bonds:							
1976	\$ 570,000④	\$ 3,400,000	\$ 272,000⑤	\$		\$ 272,000	\$ 272,000
1977	580,000	3,400,000	272,000	70,000		342,000	570,000
1978	580,000	3,330,000	266,400	75,000		341,400	808,000
1979	651,000	3,255,000	260,400	85,000		345,400	1,046,600
1980	651,000	3,170,000	253,600	90,000		343,600	1,352,200
1981	651,000	3,080,000	246,400	100,000		346,400	1,659,600
1982	651,000	2,980,000	238,400	110,000		348,400	1,964,200
1983	651,000	2,870,000	229,600	120,000		349,600	2,266,800
1984	651,000	2,750,000	220,000	125,000		345,000	2,568,200
1985	651,000	2,625,000	210,000	140,000		350,000	2,874,200
1986	651,000	2,485,000	198,800	150,000		348,800	3,175,200
1987	651,000	2,335,000	186,800	160,000		346,800	3,477,400
1988	651,000	2,175,000	174,000	175,000		349,000	3,781,600
Subtotal						\$1,400,000	
Term Bonds:							
1989	651,000	2,000,000	160,000	2,000,000	\$70,000	2,230,000	2,504,600⑥
Subtotal						\$2,000,000	
Totals							
			\$3,188,400	\$3,400,000	\$70,000	\$6,658,400	

① From Table 3. Tax Revenues applied to debt service payments in fiscal year following receipt.

② Prior to retirement of principal in year indicated.

③ Includes Bond proceeds allocated for payment of the first year's interest, and Tax Revenues carried over to following Bond Year.

④ Represents Tax Revenues capable of being generated from recorded increases in Project assessed valuations. Allocation of such Revenues actually commences in the 1975/76 fiscal year.

⑤ Paid from Bond proceeds on September 1, 1976.

⑥ Available for distribution to other taxing entities or for payment of Additional Bonds, if any. Pledge of Tax Revenues is irrevocable until Bonds of all series are retired or payment in full is provided for.

CITY FINANCIAL DATA

Assessed Valuations

The City of Chula Vista utilizes the facilities of San Diego County for the assessment and collection of taxes for city purposes. City taxes are assessed and collected at the same times and on the same tax rolls as are county, school, and special district taxes.

The State Board of Equalization reports that 1974/75 San Diego County assessed valuations average 26.6 percent of full cash value, except for public utility property which is reportedly assessed at 25 percent of full cash value by the State.

California law provides for two types of exemptions from ad valorem taxes which do not result in any loss of revenues to local taxing agencies, since an amount equal to the taxes which would have been payable on the exempt property is paid by the State. One such exemption applies to \$1,750 of the assessed valuation of an owner-occupied dwelling, for which application has been made to the County Assessor, and the other to 50 percent of the assessed valuation of business inventories. State reimbursements for such exemptions are not reduced by any amount for estimated tax delinquencies, and the reimbursements are allocated to the various taxing agencies and redevelopment agencies (if any) in the same manner as locally collected taxes. The tabulation below shows the 1974/75 assessed valuation of the City of Chula Vista before and after giving effect to these exemptions.

Preliminary 1975/76 assessed valuations for the local secured and unsecured rolls only were reported by the San Diego County Assessor to total \$245,663,551, an increase of 10.7% over 1974/75 for the same two rolls. The 1975/76 utility roll assessed valuation is not yet available.

CITY OF CHULA VISTA 1974/75 Assessed Valuations

Assessment Roll	Net Assessed Valuation	State-reimbursed Exemptions	Assessed Valuation For Revenue Purposes
Secured . .	\$173,310,419	\$27,347,281	\$200,657,430
Utility . .	27,453,010	—	27,453,010
Unsecured . .	14,305,273	6,947,029	21,252,302
Total . .	\$215,068,432	\$34,294,310	\$249,362,742

The following tabulation summarizes the growth in assessed valuation, before deduction of the State-reimbursed exemptions, of the City of Chula Vista over the past five fiscal years. The city's assessed valuation increased by more than 56 percent over the five year period.

CITY OF CHULA VISTA Assessed Valuation Growth

Fiscal Year	Assessed Valuation
1970/71	\$158,999,673
1971/72	183,027,479
1972/73	196,182,051
1973/74	203,974,166
1974/75	249,362,742

Tax Rates

The city's 1974/75 tax rate per \$100 assessed valuation is \$1.35, composed of the following elements: General Fund, \$0.52; Parks and Recreation, \$0.30; Planning, \$0.11; Library, \$0.17; Debt Service, \$0.06; and Retirement, \$0.19.

Tax Code Area 1000 is the largest in the city, accounting for over 60 percent of Chula Vista's assessed valuation. Total tax rates in this tax code area for the past five years have ranged between \$10.133 and \$11.045 per \$100 assessed valuation, as shown at the bottom of the page.

Tax Levies and Delinquencies

Taxes on secured property are payable in two installments on November 1 and February 1 and

become delinquent on December 10 and April 10, respectively. Unsecured property taxes are assessed on March 1 and become delinquent the following August 31.

The following tabulation shows the total secured taxes levied by the City of Chula Vista during the past five fiscal years, together with the amounts and percentages delinquent as of June 30. The average rate of current delinquency for this period was a very favorable 0.73%.

CITY OF CHULA VISTA Secured Tax Levies and Delinquencies

Fiscal Year	Secured Tax Levy	Delinquent as of June 30	
		Amount	Percentage
1969/70	\$1,782,074	\$10,929	0.06%
1970/71	2,030,739	9,272	0.05
1971/72	2,310,172	26,537	1.15
1972/73	2,450,759	26,562	1.08
1973/74	2,331,872	30,126	1.29

Revenues, Expenditures and Fund Balances

Table 5 on page 24 presents a summary of the city's revenues and expenditures for the past five fiscal years, as reported by the city to the State Controller (the 1974/75 report has not yet been completed).

City General Fund balances at June 30, 1975 totaled \$1,875,150, compared with \$1,205,950 at July 1, 1974.

CITY OF CHULA VISTA

Tax Code Area 1000

Tax Rates

Tax Agency	1970/71	1971/72	1972/73	1973/74	1974/75
City of Chula Vista	\$ 1.500	\$ 1.450	\$ 1.450	\$ 1.450	\$ 1.350
San Diego County	2.745	2.939	2.711	2.711	2.691
Education	6.289	6.359	6.694	5.854	5.832
Metro. Water District .....	.095	.095	.080	.080	.150
CWA Irrigation .....	.090	.100	.110	.110	.110
Total Rate	\$10.719	\$10.943	\$11.045	\$10.205	\$10.133

Table 5
CITY OF CHULA VISTA
Revenues and Expenditures

	Fiscal Year				
	1969/70	1970/71	1971/72	1972/73	1973/74
REVENUES					
Property Taxes	\$1,988,108	\$2,234,573	\$2,451,856	\$ 2,667,382	\$ 2,478,848
Sales Taxes	1,393,753	1,493,691	1,568,091	1,788,318	2,075,142
Other Taxes	327,957	744,383	925,637	1,092,475	1,237,438
Licenses and Permits	167,359	136,331	159,916	199,772	179,408
Fines and Penalties	153,723	148,845	133,077	105,494	126,203
Use of Money and Property	281,679	243,913	168,569	210,764	451,963
From Other Agencies	1,486,753	1,695,425	2,062,489	3,244,699	3,371,816
Service Charges	648,243	734,028	760,392	789,216	910,154
Other Revenues	553,214	223,863	132,999	87,169	43,824
Total Revenues	\$7,000,789	\$7,655,052	\$8,363,026	\$10,185,289	\$10,874,796
EXPENDITURES					
General Government	\$1,616,612	\$1,500,013	\$2,092,286	\$ 2,300,196	\$ 2,400,618
Public Safety	2,733,620	2,342,955	2,795,973	3,014,216	3,075,583
Public Works	1,882,703	1,867,467	2,222,698	2,811,270	2,026,780
Library Services	272,349	304,522	328,749	359,686	380,168
Parks and Recreation	1,073,287	1,216,988	948,559	1,128,312	1,016,630
Contributions to Government ...	—	51,300	67,458	72,149	83,660
Total Expenditures	\$7,578,571	\$7,283,245	\$8,455,723	\$ 9,685,829	\$ 8,983,439
CAPITAL OUTLAYS (Included in Expenditures)	\$2,087,815	\$1,103,755	\$1,201,945	\$ 1,781,515	\$ 763,968

Direct and Overlapping Bonded Debt

Table 6 on page 25 is a statement of the city's direct and estimated overlapping general obligation bonded indebtedness.

As of the sale date of the bonds currently offered, the City of Chula Vista will have outstanding

\$1,955,000 of general obligation bonds. These comprise two issues for a golf course and police facilities with a final maturity date of December 15, 1995. There are also outstanding \$325,000 of city bonds sold to finance harbor improvements; payment of these bonds has been assumed by the San Diego Unified Port District.

Table 6**CITY OF CHULA VISTA****Statement of Direct and Estimated Overlapping Bonded Debt**

Population (April 1975 special census)	75,137	
1974/75 Assessed Valuation	\$249,362,742	
Estimated Market Value	\$944,060,000①	
<hr/>		
	Percent Applicable	Debt Applicable August 19, 1975②
DIRECT AND ESTIMATED OVERLAPPING BONDED DEBT:		
San Diego County	4.956%	\$ 241,605
San Diego County Water Authority	5.222	2,932,675
Metropolitan Water District .....	.694	3,817,567
Chula Vista School District	70.593-70.961	8,380,054
National School District	1.508	16,226
Sweetwater Union High School District	47.585	6,945,031
Sweetwater Community College District	47.585	2,036,638
San Diego Unified Port District	8.407	3,249,726
Otay Municipal Water District—ID Nos. 5, 6 and 10	100.	785,000
City of Chula Vista	100.	1,955,000
TOTAL GROSS DIRECT AND OVERLAPPING BONDED DEBT		\$30,359,522
Less: M.W.D. (50% self-supporting in South Bay ID)		1,908,783
San Diego Unified Port District (100% self-supporting)		3,249,726
TOTAL NET DIRECT AND OVERLAPPING BONDED DEBT		\$25,201,013

	Ratio to		
	1974/75 Assessed Valuation	Estimated Market Value	Per Capita
Direct Debt .....	.78%	.21%	\$ 26
Gross Total Debt	12.18	3.22	404
Net Total Debt	10.11	2.67	335

① The State Board of Equalization reports that 1974/75 San Diego County assessed valuations averaged 26.6% of full value, with public utility property assessed at approximately 25% of full value.

② Excludes bond sales, if any, between July 20 and August 19, 1975.

③ Excludes share of Authority lease obligations.

THE CITY

Geographically, Chula Vista, second largest city in San Diego County, is located eight miles south of San Diego, 130 miles south of Los Angeles, and seven miles north of the Mexican border. The city covers 19.7 square miles on the southeastern shore of San Diego Bay, and is an integral part of the San Diego Metropolitan Area. For many years, Chula Vista was world-famous as the center of the U. S. lemon-growing industry. Most of the lemon groves have been subdivided, and the city is now commercial, industrial and residential in character.

The city's economic orientation changed from agriculture to industry during the 1940's, caused in large part by the relocation of Rohr Corporation (now Rohr Industries) from San Diego in 1941. There are 28 industrial plants in Chula Vista. Principal industries are the manufacture of aerospace components, transportation equipment, apparel, building materials, and food processing. Current industrial employment is in excess of 10,000. The tabulation on page 27 presents significant indicators of growth in the city.

Chula Vista was incorporated in 1911 and became a chartered city in 1951. The city utilizes the Council-Manager form of government. The City Council is composed of four members and an elected Mayor.

Population and Housing

In the decade of the 1940's the city's population more than tripled, followed by a lesser rate of growth in the fifties, and a marked slowing of the growth rate in the sixties. As of April 1975, a special mid-decade census conducted by San Diego County under Federal census guidelines showed the city's population to be 75,137, an increase of over 7,000 persons over the April 1970 U. S. Census. The tabulation on the following page shows the rate of population gain in Chula Vista compared with San Diego County, based on Census tabulations.

The 1970 U. S. Census of Housing reported 22,951 housing units in the city, of which 59 percent were owner-occupied, and 61 percent were single-family units. Median home value in 1970 was \$22,400, and the median monthly rental for the city was \$132.

The San Diego County Planning Department makes periodic estimates of housing for various subregional areas of the county. One of these subregional areas (No. 22) closely approximates the boundaries of Chula Vista. At January 1975 this

area contained an estimated 30,565 housing units, compared with 26,338 in the 1970 Census. Of the current total, 53.3 percent are single-family units,

35 percent are multi-family units, and 11.5 percent are mobile homes. The vacancy rate was 3.4 percent compared with a county-wide vacancy of 5.8 percent.

CITY OF CHULA VISTA

Population Growth

Census Period	City of Chula Vista	Percent Change	San Diego County	Percent Change
1940	5,138	—	289,348	—
1950	15,927	210%	556,808	92%
1960	42,034	164	1,033,011	86
1970	67,901	62	1,357,854	31

CITY OF CHULA VISTA

Growth Indicators

	1960	1970	1974
Electric meters	14,778	22,031	24,955
Gas meters	12,902	19,129	20,752
Water meters	8,735	13,706	17,777
Telephones	24,364	30,861 ^①	34,190
Bank deposits (December)	N.A.	\$ 95,400,000	\$ 180,993,000
Postal receipts	N.A.	\$ 1,274,000	\$ 1,894,757
Savings and Loan deposits	N.A.	\$125,000,000 ^①	\$200,000,000

^① 1972 estimates.

Source: Economic Research Bureau of San Diego.

Employment

Chula Vista is part of the San Diego Labor Market Area, which embraces all of San Diego County. The city is within convenient commuting distance of all major employment centers in the county, including the City of San Diego and environs.

The State Employment Development Department reports employment conditions monthly in this labor market. As of April 1975 civilian employment totaled 475,500, including 8,500 agricultural workers. Of the 467,000 non-agricultural wage and salary workers employed, over 27 percent are in government jobs, 23 percent in wholesale and retail trade, over 20 percent in personal and professional services, and nearly 16 percent in manufacturing. On page 29 is a summary of employment by industry category since 1972.

Tourism is rapidly becoming one of the primary industries in the area, as evidenced by the increasing numbers of workers in the distributive and personal service categories. Manufacturing employment, although characterized by a more uneven growth pattern, continues to advance steadily. Between 1972 and 1974 manufacturing employers added 11,700 workers, on an annual average basis, while employers in the service industries augmented payrolls by 11,100 persons during the two-year period.

The employers employing at least 1,000 in the San Diego Metropolitan Area are listed in Table 7 on page 28. There are also 44 employers in the metropolitan area employing 500-999. The principal employers in the City of Chula Vista are identified in Table 8 on page 29.

Table 7**METROPOLITAN SAN DIEGO MAJOR EMPLOYERS****1,000 or More Employees**

Firm	Product or Service
5,000-9,999 Employees:	
General Dynamics, Convair Aerospace	Aerospace manufacturers
National Steel & Shipbuilding Co.	Ship builders and repairers
Pacific Telephone & Telegraph Co.	Utilities
Rohr Industries, Inc.	Transportation systems
3,000-4,999 Employees:	
General Atomic Co.	Nuclear reactors
San Diego Gas & Electric Co.	Utilities
Solar, a Div. of International Harvester	Generators and turbines
2,000-2,999 Employees:	
Foodmaker, Inc., Div. of Ralston Purina	Food products
NCR Corporation	Data processing equipment
Pacific Southwest Airlines	Air line company
Ratner Corp.	Men's clothing
Sears, Roebuck & Company	Department stores
Teledyne Ryan Aeronautical	Aerospace manufacturers
1,000-1,999 Employees:	
Atlas Hotels, Inc.	Hotels
Bank of America	Banking
Broadway Department Stores	Department stores
Campbell Industries	Boat builders and repairers
Consolidated Facility Services, Inc.	Janitor service, landscaping, guard and patrol service
The Fed-Mart Corporation	Department stores
General Dynamics, Electronics Division	Electronics components
Mercy Hospital & Medical Center	Hospital
Montgomery Ward & Company	Department stores
J. C. Penney Co.	Department stores
Royal Inns of America, Inc.	Hotels
Safeway Stores, Inc.	Retail grocers
Servomation Duchess, Inc.	Caterers and food services
Southern California First National Bank	Banks
Union-Tribune Publishing Co.	Newspapers
Walker Scott Co.	Department stores

Source: San Diego Chamber of Commerce, 1975.

SAN DIEGO LABOR MARKET

Non-Agricultural Wage and Salary Workers Employment by Industrial Classification

Industry	Annual Averages			April 1975
	1972	1973	1974	
Construction	26,700	28,400	23,100	17,500
Manufacturing	63,800	69,400	75,500	72,800
Machinery excluding electrical	6,000	7,600	8,400	8,000
Electrical Machinery	10,100	10,700	11,500	11,200
Aerospace	22,200	21,100	21,800	20,400
Shipbuilding and Repair	4,000	5,500	6,800	7,500
Transportation, Communications, Utilities	22,100	23,000	23,200	22,600
Wholesale Trade	13,700	15,800	16,600	16,600
Retail Trade	78,700	85,300	87,900	90,200
Finance, Insurance, and Real Estate	22,100	23,800	24,900	24,300
Services	84,800	92,000	95,900	95,200
Government	109,500	113,200	117,100	127,300
Federal	34,500	35,500	36,900	36,900
State and Local	75,000	77,700	80,200	90,400
Other	500	500	500	500
Total Non-Agricultural Employment	421,900	451,400	464,700	467,000
Agriculture	10,700	10,200	11,300	8,500

Source: State Department of Employment Development.

Table 8
Largest Employers in Chula Vista

Employer	Product	Number of Employees
Rohr Industries	Aircraft power packages and transportation equipment	6,600
Ratner Mfg. Company	Men's clothing	2,500
Sears, Roebuck & Co.	Department store	400-600
Productron, Inc.	X-ray equipment	250
The Broadway	Department store	100-200
J. C. Penney Co., Inc.	Department store	100-200
Nelson & Sloan	Concrete aggregates	185
Prudential Overall & Supply	Industrial laundry	86
Star-News Publishing Co.	Newspapers	80
Golden West Packing Co.	Packers	70
Unimec Universal Corp.	Potentiometers, linear switches	65
Season Produce Co.	Packers and shippers	61
Omar Rendering Co.	Tallow	55
Jaekel & Rogers	Produce packing	53
St. John Knits	Women's knit apparel	45
California General Inc.	Aircraft parts	40

Source: Chula Vista Chamber of Commerce.



The Rohr Corporation plant. Rohr is the largest employer in the city, currently employing about 6,600. In the background is the City of Chula Vista. To the extreme upper right is San Diego Gas and Electric Company's South Bay Plant and just below that is the site of the marina to be developed by the San Diego Unified Port District.

Industry

Rohr Industries, largest employer in the city, was founded at San Diego in 1940 as a supplier of aircraft parts and power plant assemblies to airframe manufacturers. At the outbreak of World War II the company moved to more spacious quarters at Chula Vista, where it is headquartered today. The company employs about 6,600 at its local plant, and over 10,000 nationwide. In addition to Chula Vista, there are plants at Riverside, California, and at locations in Georgia, Ohio, and Washington.

Rohr has undergone considerable diversification in recent years, although the company continues to provide engine pods, pylons, fuselage sections, and other major components for military (including the F-14, F-15, F-16 and C-130 aircraft) and passenger jets. Transportation products include intra-city buses, high-speed mass transit cars, "people-movers", and tracked air-cushion vehicles. Production is nearing completion on cars for the Bay Area Rapid Transit system in the San Francisco area. Rohr was awarded a contract to build 300 rapid-transit vehicles for the Washington, D. C. metro subway system, the cars to be assembled at the firm's Winder, Georgia facility.

Flxible, a Rohr bus manufacturing subsidiary, realizes a substantial share of the U. S. bus market, second only to General Motors. In May 1975 the Flxible Bus Co. was awarded a \$22.2 million contract to build 398 buses by the New York Metropolitan Transportation Authority. The buses will be equipped with a special automatic hydraulic device causing the bus to drop lower to the curb as a convenience for elderly and handicapped persons.

Two other Rohr subsidiaries—Aerotrain Systems and Monocab, Inc.—have received Department of Transportation development contracts. Aerotrain is developing a tracked air-cushion system for urban use while Monocab built a personalized transportation system (people-mover) for the Transpo Exposition in Washington, D. C. Rohr has built computer-guided storage and retrieval systems at several Navy installations and the U. S. Postal Service.

Rohr recently received a \$30.3 million contract from Amtrak to build seven turbo trains at the Chula Vista plant under license from a French concern. The high speed trains will be placed in service on the east coast corridor.

The next largest industrial firm in Chula Vista is Ratner Clothes Corporation, a maker of men's slacks, suits, and sport coats. Ratner has been in the San Diego area for more than 50 years. The

company operates plants in Los Angeles and San Diego as well as Chula Vista with total employment of approximately 2,750. Within the city are plants of Vista Slack Corp. and California Clothing Corp., subsidiaries of Ratner Clothes Corp. with combined local employment of 2,500 workers.

The city has 2,600 acres zoned for general manufacturing. Seventy-five acres, zoned for unlimited industrial use, have been reclaimed from the bay in a Tidelands Development project. Begun by the city in 1960, this project has been absorbed into the San Diego Unified Port Development Plan which, in part, calls for the development of deep-water marine terminals and industrial sites in neighboring National City and Chula Vista. A total of \$25,425,000 of bonds were sold by the Port District to finance the second phase of development.

Sweetwater Industrial Park, a 63-acre facility with all improvements constructed, is located in North Chula Vista.

Commercial Activity

Chula Vista has a well-developed central business district, attractively lined by palm trees and surrounded by off-street parking facilities. The large Chula Vista Shopping Center consists of a number of major department and specialty stores including such nationally known names as Sears, Broadway-Hale, Kresge, and Penney's. In the period 1969 to 1974, the city's value of taxable transactions increased by approximately \$118 million. Total taxable transactions for the year 1974 approximated \$247 million, greater than 1973 by more than 37 percent.

The tabulations below and on the next page present a six-year record of taxable transactions for the city, and a tabulation of 1974 taxable sales by type of business.

CITY OF CHULA VISTA Annual Taxable Transactions

Year	Total Taxable Transactions
1969	\$128,991,000
1970	133,599,000
1971	141,631,000
1972	159,000,000
1973	179,558,000
1974	246,975,000

Source: State Board of Equalization.

CITY OF CHULA VISTA 1974 Taxable Transactions

Type of Outlet	Permits	Total Taxable Transactions (\$000)
Apparel stores	45	\$ 11,362
General merchandise stores ..	25	59,485
Food stores①	49	15,566
Packaged liquor stores	14	2,943
Eating and drinking places ..	106	17,110
Drug stores①	13	8,066
Home furnishings and appliance stores	38	9,885
Building material and farm implement stores	14	4,544
Auto dealers and auto supply stores	40	24,304
Service stations	62	15,263
Other retail stores	126	12,604
Total retail stores	532	\$181,132
All other outlets	549	65,843
Total	1,081	\$246,975

① Certain items are not taxable.

Source: State Board of Equalization.

Construction Activity

The value of building permits issued by the city has averaged more than \$27 million annually over the past five years, with ever-increasing totals each year. About 65 percent of total permit valuation during this period consisted of residential construction. Of the housing units represented by these permits, three out of five were single-family homes.

In the first three months of 1975, non-residential construction formed the bulk of total permit values, accounting for over 55 percent of the quarter's total.

Construction activity in Chula Vista by individual years since 1970 is summarized in the tabulation opposite.

In recent months residential construction activity has centered in the eastern part of the city, near the campus of Southwestern College. Among the developers and construction firms active in this area are Gersten Construction Co., Avco Community Developers, Larwin Co., American Housing Guild, and Shattuck Construction Co.



Chula Vista Shopping Center, a major shopping center in the South Bay area.

CITY OF CHULA VISTA Building Permit Valuations

Year	Dwelling Units	Valuation
1970	705	\$23,273,000
1971	943	23,548,000
1972	980	27,660,000
1973	764	29,001,000
1974	886	32,817,000

Source: San Diego Chamber of Commerce.

Agriculture

Chula Vista lies in the center of a rich and productive agricultural area. Equable temperatures and ample water make truck gardening a year-round operation, forming a substantial part of the county's farm output. Agricultural commodities valued in excess of \$230 million were produced last year in San Diego County, with tomatoes, eggs, avocados,

and milk comprising nearly 61 percent of gross farm production values. There were seventeen commodities worth more than \$1 million at the farm level.

A summary of agricultural production by major categories for the past two years is presented below, together with a list of the most important farm commodities for 1974.

SAN DIEGO COUNTY

Agricultural Acreage and Gross Value of Production

Commodity	1973		1974	
	Acres	Value	Acres	Value
Field Crops	20,850①	\$ 3,076,800②	20,665①	\$ 2,727,350
Fruit and Nut Crops:				
Bearing	28,308	56,913,000	27,720	54,033,610
Nonbearing	2,570		2,840	
Vegetables	8,686	41,184,300	8,985	60,339,000
Nursery Products and Market Flowers	770②	37,283,000	825②	40,135,000
Livestock and Poultry		10,274,000		9,686,000
Livestock and Poultry Products		69,596,000		72,640,000
Apiary		1,200,000		300,000
TOTAL	61,184	\$219,527,100②	61,035	\$239,860,960

① Not including uncultivated range and pasture land.

② Nursery crop acreage only; flower acreage not reported.

Source: County Department of Agriculture, Weights and Measures.

SAN DIEGO COUNTY

Leading Agricultural Commodities 1974

Commodity	Gross Value	Commodity	Gross Value
Tomatoes	\$47,998,000	Gladiolus	\$ 2,112,000
Eggs	46,740,000	Tangerines, Tangelos	2,082,000
Avocados	25,966,000	Celery	1,733,000
Milk	25,475,000	Cucumbers	1,605,000
Lemons	8,431,000	Navel Oranges	1,474,160
Strawberries	8,152,000	Potatoes	1,176,000
Cattle and Calves	6,845,000	Cauliflower	1,117,000
Valencia Oranges	6,023,000	Cherry Tomatoes	1,030,000
Carnations	4,808,000		

Source: County Department of Agriculture, Weights and Measures.

Transportation

Chula Vista is served by highly developed air, rail, highway, and deepwater shipping facilities. Interstate 5, the major freeway traversing the length of California through Los Angeles and the Central Valley, passes through west Chula Vista, extending to the Mexican border station at Tijuana. The eastern part of Chula Vista is served by Interstate 805, now largely complete through the city. This route joins Interstate 5 at a point near the border and to the north along the coast in the vicinity of Del Mar.

Linking these two north-south freeways will be the South Bay Freeway (State 54) which is now partially complete in the northern part of the city. This roadway will connect with Interstate 8 in San Diego providing a shorter route to Phoenix, Arizona and points east.

Air passenger and cargo facilities are available at Lindbergh Field in San Diego, 10 miles northwest on Interstate 5. In 1974 this busy terminal handled 4,410,972 commercial passengers on scheduled major airlines, an increase of more than 136,000 over the previous year.

Brown Field, a general aviation airport five miles southeast of Chula Vista, and is one of the proposed sites for a major new regional airport, to relieve growth pressures on Lindbergh Field.

The Santa Fe Railway and the San Diego & Arizona Eastern Railway (Southern Pacific) serve the city. Major trucking companies provide service throughout the metropolitan area and to regional and national destinations. Bus service is offered by Greyhound Lines, the San Diego Transit Corporation, and the Chula Vista intracity bus line.

Chula Vista is one of five member communities of the San Diego Unified Port District, an autonomous government agency which operates the Port of San Diego and San Diego International Airport (Lindbergh Field). Together with the cities of San Diego, Imperial Beach, Coronado and National City, Chula Vista promotes commerce, navigation, fisheries, and recreation in and around San Diego Bay. The District operates cargo terminals, leases tidelands to commercial interests, and develops waterfront areas for public use. The National City Terminal, immediately adjacent to Chula Vista, offers deepwater shipping, and the extensive facilities of the Port of San Diego are readily available to Chula Vista business and industry.

Utilities

Utility services in the community are provided by the following companies:

Electricity: San Diego Gas & Electric Co.

Natural gas: San Diego Gas & Electric Co.

Telephone: Pacific Telephone Co.

Water: California-American Water Company,
Otay Municipal Water District.

In addition to the 720,000 kilowatt-capacity South Bay Power Plant, located within the redevelopment area, San Diego Gas & Electric operates a nearby natural gas liquefaction plant in Chula Vista.

Refuse disposal is provided by private contractor. Sewerage facilities are administered by the city, a participant in the San Diego Metropolitan Sewerage System.

Education

Nationally recognized for its progressive policies and innovative programs, the Chula Vista City School District became the first in California to implement the 45-15 year-round school program, i.e., 45 days of school followed by 15 days of vacation. In July 1971 a pilot program was established at four schools in the rapidly growing Otay section. Seven schools in the District now follow the year-round calendar. The plan has received strong acceptance by parents, pupils, teachers, and staff. In 1973/74 the District enrolled 15,720 pupils in 26 schools.

Other school districts serving Chula Vista are Sweetwater Union High School District administering 9 junior high schools, 7 high schools, and an adult high school, and Sweetwater Community College District. The latter operates Southwestern College in eastern Chula Vista, a two-year tax-supported institution with a current enrollment of over 8,000 and a varied curriculum of classroom and on-site courses.

Five private elementary schools and one private junior high school are located in the city.

Degree institutions within convenient commuting distance of Chula Vista include United States International University, San Diego State University, University of San Diego, the University of California at San Diego, and the Scripps Institute of Oceanography.

Community Facilities and Recreation

Banking services in the community are provided by Bank of America N.T. & S.A. (2 offices), San Diego Trust and Savings Bank, Security Pacific National Bank (2 offices), Southern California First National Bank, United California Bank, Crocker National Bank, Wells Fargo Bank, and Balboa Bank. Six savings and loan associations offer financial services: Central Federal, Chula Vista Federal, Home Federal, Imperial, San Diego Federal, and State Mutual.

Recently completed Community Hospital of Chula Vista has 131 acute care beds, and is designed for ultimate expansion to 300 beds. A heliport is located on the grounds to facilitate the transportation of emergency cases. Also located in the city is Bay General Hospital with 159 beds. Practicing in the community are 108 physicians/surgeons and 57 dentists.

The City of Chula Vista operates a public library. Currently a \$2.5 million main library is under construction, to be completed in 1976. There are 50 churches of all major denominations in the community.

Chula Vista has ready access to Metropolitan San Diego radio, television, and newspaper communica-

Chula Vista boat launching ramp, around which the San Diego Unified Port District will develop a marina. The proposed marina is adjacent to the Bayfront Project area.



tions media. The Chula Vista Star News and Bonita Valley News provide local news and commercial coverage.

The city maintains 11 parks, and has three sites for development as parks. The Chula Vista Municipal Golf Course is located in the northeastern part of the city. Equally convenient for city residents are the Bonita Golf Course and the San Diego Country Club, both adjacent to the city limits. Chula Vista maintains four recreation centers, four municipal swimming pools, a boat launching ramp, and two tennis complexes of four courts each.

San Diego County has announced plans to build 670-acre Sweetwater Regional Park at Bonita, north of the city limits. The park would be located in the area between Chula Vista Municipal Golf Course and the Bonita Golf Course.

Numerous facilities for outdoor recreation are available in the Laguna Mountains, east of the city. Boating, fishing, camping, and hiking are found in the Cleveland National Forest, the scenic Anza-Borrego Desert State Park, and the reservoir lakes which dot the area.

Cultural, social, and recreational advantages of the San Diego Metropolitan Area are easily accessible by freeway to residents of Chula Vista.

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